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AGNEW ATTACKS MEMO AS FRAUD

He Denies Link to Plans to
Cancel the 1972 Election

By JAMES M. NAUGHTON

Special to The New York Times

WASHINGTON, July 21—An alleged "confidential memorandum" linking Vice President Agnew's office with plans to cancel the 1972 national election and repeal the Bill of Rights was denounced today as a fraud by Mr. Agnew.

The Vice President said that it was "ridiculous" for the editors of Scanlan's Monthly to believe that the document was genuine. It is being reproduced in the journal's August edition, to be published next Tuesday.

According to the memorandum, the Rand Corporation, a California research company, agreed to a "judicious leak" of a study on cancellation of the election but did not feel that any information should be made public on a plan for repeal of the Bill of Rights.

The document also contains paragraphs implying that the Nixon Administration, using funds of the Central Intelligence Agency, would inspire demonstrations in support of the President's Indochina policies by construction workers in New York, Pittsburgh, Chicago, St. Louis and Seattle.

Memo Dated March 11

The memorandum, on stationery with the heading "The Vice President," is dated March 11. Rumors were heard in April and spread quickly across the country that the Rand Corporation was preparing a secret study on the implications of cancellation of the 1972 election.

The White House and officials of the California company have repeatedly denied that any such study was ever undertaken or contemplated.

Mr. Agnew said in an interview today, after he had seen a copy of the document that Scanlan's will publish, that it was "completely false." He said that the form of the memorandum, and the heading of the stationery, were different from those used by his office.

"My denial is unequivocal," Mr. Agnew said, "not only for that [document] but for anything else concerning that subject. You can't get much more unequivocal than that."

Sidney E. Zion, and Warren Hinckle 3d, editors of Scanlan's, said in a telephone interview that they first suspected that the document was a hoax but became convinced after an investigation that it was genuine. They did not inquire about it at the White House.

Mr. Zion said that he had become convinced after leaders of the construction workers who demonstrated on Wall Street were invited to meet with the President.

Source Viewed as Reliable

He conceded that "some crazy maniac" could have obtained Vice-Presidential stationery and dreamed up the memorandum, but said that it had come to him from a source who had never misled him in the past. He would not disclose the source.

The "memorandum" is labeled as "page 2 of 4 pages." It begins in the middle of a sentence about the alleged Rand study and stops in midsentence about "Rufus Taylor's unaudited 'internal security' fund" being tapped for the demonstrations.

Mr. Zion said that Rufus Taylor was an official of the C.I.A.

Mr. Agnew noted that the heading on the document was "The Vice President." He said that memorandum forms used by the previous Administration contained that heading, but that his own carried the words "Office of the Vice President."

An aide to the Vice President said later that his office did not use stationery bearing the heading on any but the first pages of memorandums. The word "confidential," typed in the top left and bottom right portions of the page, also represented a deviation from the style used in Mr. Agnew's office the aide said.

Mr. Zion contended that it was possible Mr. Agnew's office had used the old stationery in the interest of economy.

The rumor about a Rand study for the Administration on plans to cancel the 1972 election if radicals threatened to disrupt it was first printed in the Newhouse News Service's weekly gossip column. It spread to underground and establishment news media and traveled by word of mouth from campus to campus, prompting the denials by Rand and the White House.